National Rural Electric Cooperative Association

1800 Massachusetts Avenue, N.W.
Washington, D.C. 20036-1883
Telephone: (202) 857-9500

January 13, 1993

Ms. Donna R. Searcy, Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

Re: First Report and Order and Third Notice of Proposed Rulemaking -- ET Docket No. 92-9

Dear Ms. Searcy:

The National Rural Electric Cooperative Association (NRECA) hereby submits its comments regarding the Federal Communications Commission's First Report and Order and Third Notice of Proposed Rulemaking, FCC 92-437, adopted September 17, 1992 and released October 16, 1992, ET Docket No. 92-9.

Enclosed are an original plus nine copies of NRECA's comments. Please provide a personal copy to each of the Commissioners.

Sincerely,

Bob Bergland
Executive Vice President

BB:jk

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
Redevelopment of Spectrum to	)	ET Docket No. 92-9
Encourage Innovation in the	)	
Use of New Telecommunications	)	RM-7981
Technologies	)	RM-8004

To: The Commission

COMMENTS OF THE
NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION

Pursuant to Section 1.415 and 1.419 of the Federal Communication Commission's (FCC) Rules, the National Rural Electric Cooperative Association (NRECA) hereby submits its comments on the First Report and Order and Third Notice of Proposed Rulemaking, FCC 92-437, adopted September 17, 1992 and released October 16, 1992, in the above-captioned proceeding in which the FCC is providing for the redevelopment of 220 MHz of spectrum in the 1850 to 2200 MHz band for future communications services that employ emerging technologies.

I. Introduction

The National Rural Electric Cooperative Association (NRECA) is the national association of more than 1,000 consumer-owned rural electric generation & transmission and distribution systems which supply central station electricity to more than 25 million people in the rural areas of 2600 counties in 46 states. Rural Electric Cooperatives serve some 75% of the land area and operate half of all of the miles of electric lines in the United States, often providing services to the farthest reaches of our nation. Rural electric systems average 5 consumers per mile of line, compared with an average of 35 consumers per mile of line for other utilities.

NRECA has strongly opposed efforts to require rural electric cooperatives and other utilities to relinquish assigned frequencies in the 1850-2200 MHz band, unless equally reliable communications media is made available at no additional cost. The frequencies assigned to electric utilities in that band are used for the essential purposes of monitoring and controlling the flow of electric power, communicating in times of natural disaster, and detecting, isolating and solving problems before they result in a major disruption of electric service.

The following NRECA member systems have existing frequency assignments in the 1850-2200 MHz band:

Alabama Electric Cooperative, Inc.
Altamaha Electric Membership Corp.
Arizona Electric Power Cooperative, Inc.
Basin Electric Power Cooperative
Berkeley Electric Cooperative, Inc.
Big Rivers Electric Corporation
Blue Ridge Electric Cooperative, Inc.
Blue Ridge Membership Corporation
Blue Bonnet Electric Cooperative
Brazos Electric Power Cooperative, Inc.
Cajun Electric Power Cooperative, Inc.
Carroll Electric Cooperative Corp.
Central Electric Power Cooperative
Central Iowa Power Cooperative
Chugach Electric Association, Inc.
Colquitt Electric Membership Corporation
Cooperative Power Association
Corn Belt Power Cooperative
Cuivre River Electric Cooperative, Inc.
Cumberland Electric Membership Corp.
Dairyland Power Cooperative
Deseret Generation & Transmission Cooperative
Dixie Electric Membership Corporation
East Central Electric Association
East Kentucky Power Cooperative, Inc.
East River Electric Power Cooperative, Inc.
Empire Electric Association, Inc.
Federated Rural Electric Association
Flint Electric Membership Corp.
Four County Electric Membership Corp.
Gibson County Electric Membership Corp.
Golden Valley Electric Association, Inc.
Green River Electric Corporation
Guadalupe Valley Electric Cooperative
Hart County Electric Membership Corp.
Henderson-Union Rural Electric Cooperative Corp.
Hoosier Energy Rural Electric Cooperative, Inc.
Intermountain Rural Electric Association
Jackson Electric Membership Corp.
Jasper Newton Electric Cooperative, Inc.
Jefferson Electric Membership Corp.
Johnson County Electric Cooperative Association
KAMO Electric Cooperative, Inc.
Lake Region Electric Cooperative, Inc.
Lea County Electric Cooperative, Inc.
Lower Colorado River Authority
Medina Electric Cooperative, Inc.
Minnkota Power Cooperative, Inc.
Mitchell Electric Membership Corporation

Moon Lake Electric Association, Inc.
Navopache Electric Cooperative, Inc.
North Arkansas Electric Cooperative, Inc.
North Georgia Electric Membership Corp.
Northwest Electric Power Cooperative, Inc.
Northwest Iowa Power Cooperative
Owen County Rural Electric Cooperative Corp.
Palmetto Electric Cooperative, Inc.
Petit Jean Electric Cooperative Corp.
Plains Electric Generation & Transmission Cooperative, Inc.
Platte Clay Electric Cooperative, Inc.
Plumas Sierra Rural Electric Cooperative
Rappahannock Electric Cooperative
Rayle Electric Membership Corporation
Runestone Electric Association
Rushmore Electric Power Cooperative
Sam Houston Electric Cooperative, Inc.
San Bernard Electric Cooperative, Inc.
Satilla Rural Electric Membership Corp.
Sho-Me Power Corporation
South Mississippi Electric Power Association
South Texas Electric Cooperative
Southern Illinois Power Cooperative
Southern Maryland Electric Cooperative, Inc.
Southside Electric Cooperative
Southwest Tennessee Electric Membership Corp.
Sumter Electric Cooperative, Inc.
Sunflower Electric Cooperative, Inc.
Talquin Electric Cooperative, Inc.
Tri State Generation and Transmission Association, Inc.
Union Rural Electric Cooperative, Inc.
United Power Association
Valley Electric Association, Inc.
Warren Rural Electric Cooperative Corp.
Western Farmers Electric Cooperative

Each of these NRECA member systems will suffer hardships, in varying amounts, if they are forced to vacate this band. The lost spectrum would have to be replaced because operating electrical transmission and distribution systems at reduced reliability would not be an option. Reduced reliability from other data and voice transmission media or leased circuits, lack of suitable frequencies in other private microwave bands, and the expense involved in replacing microwave systems with fiber optic systems or switching to higher frequency bands (where feasible), would all contribute to those hardships. The high costs are largely attributable to the fact that NRECA's member systems operate in sparsely populated areas and their facilities are widely dispersed. Common carrier services that are reliable enough for electric utility operations generally do not exist in these areas, so they would have to be constructed. Substituting fiber optic circuits for the existing frequencies in the 1850-

2200 MHz band would be unreasonably expensive and impractical. Hundreds of miles of redundant fiber optic installations would be required to provide the reliability necessary for electric utility operations.

II. Background

The FCC initiated this proceeding on January 16, 1992, to develop a "spectrum reserve" for emerging technologies with the adoption of the NPRM in ET Docket No. 92-9, FCC 92-20. The NPRM was released on February 7, 1992.

On February 27, 1992, the Utilities Telecommunications Council (UTC) filed a letter with the Private Radio Bureau (PRB) requesting clarification of the PRB's licensing policies with respect to 2 GHz private microwave applications received after January 16, 1992.

On March 16, 1992, UTC, the American Petroleum Institute (API), the Association of American Railroads (AAR), and the Large Public Power Council (LPPC), filed a "Motion for Extension of Time" requesting additional time for filing comments and reply comments in response to the FCC's NPRM.

On March 20, 1992, AAR filed a "Petition for Clarification" and Century Telephone filed a "Petition for Reconsideration" both requesting that the FCC clarify/reconsider its NPRM proposal regarding the secondary licensing status of new 2 GHz facilities. The FCC, on May 14, 1992, issued a public notice clarifying its conditional secondary licensing policy for fixed microwave applications in the 2 GHz band received after January 16, 1992.

On March 31, 1992, UTC filed a "Petition for Rule Making" (RM-7981) addressing the steps which the FCC should have taken before (or when) it issued the NPRM in ET Docket No. 92-9.

On April 1, 1992, the Office of Engineering and Technology (OET) released an Order, which had been adopted on March 31, 1992, extending the time for filing comments and reply comments in ET Docket No. 92-9 to June 5, 1992, and July 6, 1992, respectively.

On April 10, 1992, AAR, API and LPPC, filed a "Petition to Suspend Proceeding" asking that the FCC suspend procedural dates and hold ET Docket No. 92-9 in abeyance until the FCC has taken certain actions with the National Telecommunications and Information Administration (NTIA) in regard to shared use of the Federal 1710-1850 MHz band.

On May 22, 1992, Alcatel Network Systems, Inc. filed a "Petition for Rule Making" (RM-8004) requesting that the FCC

consider specific reallocation and rechannelization plans and technical rules to govern access to higher fixed microwave bands by 2 GHz licensees.

On July 16, 1992, the FCC adopted a Notice of Proposed Rule Making in GEN Docket No. 90-314 that, among other things, proposed that between 80 and 140 Mhz of 2 GHz spectrum proposed for emerging technologies in this docket be allocated for PCS services. The FCC has conditioned its final action in the PCS proceeding on the outcome of the instant proceeding.

On July 27, 1992, the United States Senate approved Senate bill S. 3026, Appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies, Provision. Section 611 of that bill would prohibit the FCC from using funds appropriated for Fiscal Year 1993 to develop, issue, implement, or enforce a rule or order affecting the use of frequencies between 1850 and 2200 MHz by qualified private fixed microwave entities in the proceeding identified as ET Docket 92-9, or any successor proceeding, unless the Commission met certain requirements of the bill and would incorporate the requirements of section 611(c) into such final rule or order.

Subsection 611(c)(3)(A) stated: "At a date no earlier than 8 years following issuance of a rule or order affecting the use of the frequencies between 1850 and 2200 MHz by qualified private fixed microwave entities in the proceeding identified as ET Docket 92-9--

> (i) any emerging telecommunications technology entity operating on or seeking to operate on frequencies between 1850 and 2200 MHz may submit to the Commission under this paragraph a proposal for migration of any qualified private fixed microwave entity's facilities operating on frequencies between 1850 and 2200 MHz to other frequencies or media; and
>
> (ii) any qualified private fixed microwave entity operating or seeking to operate on frequencies between 1850 and 2200 MHz may submit to the Commission under this paragraph a proposal for migration of any emerging telecommunications technology entity's facilities operating on frequencies between 1850 and 2200 MHz to other frequencies or media."

On August 5, 1992, the FCC adopted a Further Notice of Proposed Rule Making (FCC 92-357) proposing to reallocate and rechannelize fixed microwave licensees above 3 GHz. This restructuring of the higher frequency fixed microwave bands is generally consistent with the UTC and Alcatel petitions.

On September 17, 1992, the FCC adopted the First Report and Order and Third Notice of Proposed Rulemaking (FCC 92-437). They were released on October 16, 1992.

The First Report and Order (Order) allocates the 1850-1990,2110-2150, and 2160-2200 MHz bands for emerging technologies. It provides a transition framework for the fixed microwave operations currently using these bands that facilitates their reaccommodation in higher frequency common carrier and private operational fixed microwave bands or on alternative media. The transition period would be of fixed duration, during which the only method for relocation would be pursuant to voluntary relocation arrangements negotiated by emerging technology service providers and incumbent fixed microwave licensees. Upon expiration of the transition period, incumbent fixed microwave licensees would retain co-primary status unless their frequencies were requested by an emerging technology service provider. Upon such a request, the parties are encouraged to conclude a voluntary agreement. If a voluntary agreement is not reached, the emerging technology service provider could request involuntary relocation of the incumbent. In such a case, the emerging technology service provider must guarantee payment of all relocation expenses, build the new microwave facilities at the relocation frequencies, test the new facilities for comparability to the old, and remedy any defect found within one year of the transition. Two gigahertz fixed microwave operations licensed to public safety entities are exempt from involuntary relocation but are permitted to conclude voluntary reaccommodation agreements.

The Third Notice of Proposed Rule Making (Third Notice) proposes and solicits comment on the length of a fixed transition period, and suggests between three and ten years, for voluntary agreements between emerging technology providers and fixed microwave operators currently using the 1850-2200 MHz bands to reaccommodate existing operations in higher frequency common carrier and private operational fixed microwave bands or on alternative media. The FCC provided a framework for involuntary reaccommodation after expiration of a transition period of fixed duration, and solicited comment on how to resolve any disputes over involuntary relocation terms and on how to define comparable alternative facilities. The Third Notice also solicits comment on issuing tax certificates to fixed microwave licensees who may receive a capital gain as part of an agreement to surrender their license and relocate to other bands or use other, non-radio alternative media.

III. Comments Requested by the FCC

A. In paragraph 25 the FCC solicits comment on how to define comparable alternative facilities. Specifically, the FCC seeks comment on whether a negotiated rule making might be beneficial in this process. The FCC believes that this would give parties in this proceeding an opportunity to directly negotiate and

recommend rules or guidelines to the FCC for resolving comparable facility issues.

> NRECA believes that there is no need and little value added to the process for FCC to define 'comparable alternative facilities', if a process exists that allows and encourages voluntary good-faith negotiations to proceed. Comparability in electric power system reliability is an assessment that should be made by the electric utility bearing the responsibility for power system failures. Also, since comparability will vary geographically on a case-by-case basis, a generic model would be of little value.

Further, the FCC seeks comment on dispute resolution processes in the event disputes arise over involuntary relocation, or disputes over the comparability of service on new microwave facilities in relocation bands. Thus, the FCC seeks comment on alternatives such as mediation and arbitration, in addition to the possible use of negotiated rule making for determining definitions of comparability.

> Mediation would best facilitate a solution in the best interests of both parties. Rules should provide for one party to submit issue(s) to mediation, with a fixed period for completion of a binding agreement. If parties have not reached agreement during this period, one or both parties may submit the matter to the FCC for a final decision on modification of the incumbent's license. Parties may include, as part of petition to FCC, a copy of the mediator's final report, which should be non-binding on the parties or the FCC. Mediation is also appropriate because there are likely to be situations involving multiple parties; e.g., two PCS licensees and a single microwave licensee. Even with arbitration, parties will still have to come to FCC for license modification, so it is impossible to keep FCC completely out of the loop.

B. In paragraph 27 the FCC solicits comment on the length of the transition period that the Commission should adopt. The transition period should allow for the introduction of new services and provide for the relocation of the incumbents without undue disruption of services. As stated above, the Senate amendment would have required an eight year period and UTC has suggested a ten year period. Tentatively, the FCC believes that the transition period should not be less than three years or more than ten years. The transition period would commence on the adoption date of the FCC's Report and Order that addresses issues concerning the channelization of the higher fixed microwave bands available for the relocation of incumbent 2 GHz fixed microwave licensees, raised in the Further Notice of Proposed Rule Making in this proceeding.

Although the FCC has labeled this a "transition period", the period is one of voluntary negotiations. The use of the term "transition" connotes that a definite anticipated conclusion will be reached, i.e. cleared spectrum used exclusively by emerging technologies. However, in actuality, the end result may be perpetual successful coexistence among incumbent and emerging technology users because of state-of-the-art advances such as "spread spectrum." This time period, which was proposed by the Utilities Telecommunications Council (UTC), and which was largely adopted by the FCC, provided only that there should be a period for marketplace negotiations before any involuntary relocation procedures could be invoked. The goal is to let the marketplace resolve these issues, but to have an involuntary relocation program in place as a safety net to deal with any incumbents who do not negotiate in good faith.

Originally, NRECA had supported the fixed "negotiation period" of fifteen years that was included in S. 3026 as reported by the Senate Appropriations Subcommittee. This fifteen-year period was shortened to eight years in section 611 of Senate bill S. 3026 during full Senate consideration of this measure. This relatively short period may be of limited value to our rural members who may not feel the impact of emerging technologies for many years. Since the FCC has given NRECA an opportunity to reconsider, we have determined that a more rational approach for rural areas would be an eight-year "negotiation period" with a three-year "rolling period" keyed to the date a new technology license is granted in any particular area. In other words, a PCS licensee would be permitted to negotiate with incumbent microwave users potentially affected by its PCS system during the first three years of each PCS license. After three years (and after expiration of the initial eight-year "negotiation period"), the PCS licensee could negotiate or invoke involuntary relocation procedures. This would ensure that all incumbent microwave users have a reasonable period of time to discuss voluntary relocation before being subjected to an involuntary relocation program. The longer period of time will act as an incentive for new technology proponents to treat incumbents fairly.

The UTC believes that, as an industry average, it will probably take at least one year for each microwave path to be relocated: engineering designs; coordination; licensing; equipment ordering and delivery; cut-over arrangements; installation; testing. UTC's survey indicated that an average utility would need 4 years, and some as long as 25 years, to relocate all of its paths from the 2 GHZ band. Since it is unrealistic to believe the PCS licensee(s) will relocate all microwave paths in the market immediately upon

the granting of a PCS license, the transition period must be at least 8 years for each market so that all non-exempt incumbents have an opportunity to negotiate with the PCS licensees before being subjected to involuntary relocation. Effectiveness of transition rules are currently keyed to resolution of the FNPRM on rechannelization. Since the FNPRM could be resolved even before adoption of PCS rules, microwave transition rules could be running well before PCS licenses are ever granted. Transition rules will also apply to upper 2 GHz band, and there are currently no proceedings to allocate that band. It is pointless to create transition rules and have a transition period if there are no new licensees with which to transition. Therefore, a more rational approach is to key effectiveness of involuntary relocation rules to the date each PCS licensee is authorized to construct facilities in a market.

Since we do not know what services will develop, or where they will develop, or how likely it is they will be able to share spectrum with incumbent users, it is premature to adopt different transition rules for different areas or to accommodate different types of microwave systems. All microwave users should have the same opportunity; and all PCS licensees should have the same obligation, to negotiate for relocation. A sliding "negotiation" period would best accommodate the needs of all PCS licensees and incumbent users.

In addition, the FCC seeks this comment on whether no transition may be appropriate in some instances, particularly in the case of unlicensed devices or services covered by blanket licenses which may operate in these bands. In such cases, the FCC requests comment on whether affected fixed users should be given priority access to government spectrum or other 2 GHz spectrum if they cannot be accommodated in higher bands.

It is still undecided whether there will, in fact, be unlicensed services or services covered by blanket licenses in these bands. It is also unclear whether the manufacturers or users of unlicensed devices would be able to relocate microwave users with or without a negotiation period. The problem is not whether there is a negotiation period; the problem is identifying who is responsible for paying relocation costs and accepting responsibility for correcting interference. The FCC should adopt transition rules that apply to all bands, to all services, and to all types of new operations. Proponents of unlicensed devices will have to come up with a mechanism to fund relocation and to negotiate with incumbents.

C. In paragraph 28 the FCC seeks comment on whether it would be appropriate also to provide a minimum time period for voluntary

negotiations after the grant of a license to an emerging technology service provider in order to ensure that an incumbent licensee would not be faced with a sudden or unexpected request for involuntary negotiations. For example, in the case of a three year transition period, it is possible that licensees for a particular service may be assigned near the end of or even after the transition period. In that case, should the FCC provide a one year minimum period for voluntary negotiations between the parties? This would ensure that an incumbent licensee would not be faced with a precipitous demand for involuntary negotiations after the three year period.

> The FCC's concern for the plight of an incumbent user if a new licensee suddenly arrives and demands that the incumbent relocate immediately is well founded, and mirrors our concern for our members in rural areas. New licensees may not arrive until well after the relatively long fixed negotiation period of eight years has expired. The logistics of negotiations (including approval by Directors), financing, constructing and debugging the new systems could very easily take three years. For these reasons we feel very strongly that a fixed negotiation period of eight years plus a rolling period of three years keyed to a grant of a new technology license are necessary.

The FCC also questions whether in the case of a more lengthy transition period, in those few geographic areas where there may be little or no spectrum available, waiting for voluntary negotiations may frustrate the introduction of services using new technologies. The FCC requests comment on whether in such cases a shorter transition period, but no less than three years, should be observed to address these situations if it can be shown that the voluntary negotiations have not succeeded.

> Because the new technologies have not been identified, and because even among PCS systems there are significant differences in their spectrum-sharing capabilities, it is impossible to predict whether any given area will have "little or no spectrum available." If a new technology licensee is permitted to foreshorten the negotiation period by claiming there is "little or no spectrum available," there will be no incentive for new licensees to use spectrum-sharing techniques. This proposal would eviscerate the transition rules because the whole premise behind Docket 92-9 is that new licensees should negotiate with incumbents if they cannot find vacant spectrum on which to operate. If a new licensee can merely show that it cannot locate spectrum, and thereby invoke involuntary relocation procedures, there is no incentive to negotiate.

D. In paragraph 31 the FCC states that new facilities will be licensed only on a secondary basis. Existing 2 GHz fixed facilities, licensed before January 16, 1992, including facilities licensed on a primary basis in accordance with the FCC staff's May 14, 1992, Public Notice, can make certain modifications and minor extensions and retain primary status. The FCC considers acceptable modifications to include: minor modifications, changes in antenna azimuth, antenna beamwidth, antenna height, authorized power, channel loading, emission, station location, and ownership or control; reduction in authorized frequencies; or addition of frequencies not in the 2 GHz band. Major extensions or expansions would be considered secondary, unless a special showing of need is made to justify primary status.

> The FCC needs to be better define what constitutes a major extension. NRECA recommends that any new spur on an existing 2 GHz system should be licensed for coprimary operation. While it would not be practical to license and build a complete new 2 GHz system that would soon be replaced by a developing technology, the license class for any expansion on an existing 2 GHz system should remain primary. In rural areas a major extension would not be replaced by an emerging technology for 10 to 15 years. By this time the microwave equipment has reached the end of its useful life. All extensions should be granted a primary license, since there is no point in issuing a secondary status license for <u>any</u> expansion of an existing 2 GHz system in a rural area.

E. In paragraph 37 the FCC discusses the possibility of issuing tax certificates as a means of encouraging current fixed microwave licensees to migrate. The FCC's plan places responsibility for all costs to be borne either (1) as voluntarily agreed to by the parties, or (2) by the emerging technology licensee. If the relocation is involuntary under this approach, no existing fixed microwave licensee would be required to pay relocation costs. Some commenters state that tax certificates, if used to encourage migration both to other bands and other media, could remove a potential financial disincentive to relocation where a 2 GHz fixed user may receive a capital gain due to a shift in its operations to another band or to a non-spectrum alternative. They suggested that, under those circumstances, tax certificates could be used to defer the payment on such a gain and thus allow the fixed user to relocate in a more expeditious manner. Accordingly, the FCC requests more specific comment on how tax certificates could be used under the transition plan adopted herein.

> As a matter of fairness, NRECA recommends issuing tax certificates needed to offset capital gains increases

incurred by any 2 GHz licensee who voluntarily enters agreement with new technology licensee to relocate from 2 GHz band. If the FCC is forced to modify a license over an incumbent's objections and if FCC finds that the incumbent's objections were patently without merit, tax certificate(s) could be withheld. This would act as an incentive for an incumbent to voluntarily relocate and as a disincentive for an incumbent to raise patently frivolous objections. Tax certificates should not be used as a "subsidy" to emerging technology licensees do help defray the costs of relocating incumbent users. With all the optimistic projections of the success of PCS, PCS licensees should not face the financial hardship that are normally used to justify such tax breaks.

The FCC also seeks comment on whether, the negotiated rule making process could be used to develop specific guidelines and legal justifications for using the tax certificate in this context.

If there is a question as to whether or not the FCC has the authority to issue tax certificates, that should be clarified. Given the national budget deficit and the fiscal mood of the Congress, the U.S. Treasury Department, and the Office of Management and Budget, there would be very little support for any new authority that might appear to be a "subsidy." If the FCC does not already have the authority, it may not be likely to get it and a negotiated rulemaking would not help that situation. Negotiated rulemaking is not appropriate to develop "legal justifications" for a position unless the FCC has the authority to issue tax certificates. A negotiated rulemaking appears unneccessary since earlier comments in Docket No. 92-9 generally supported the award of tax certificates.

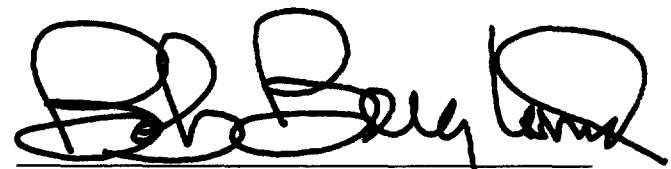
IV. Conclusion

NRECA appreciates and applauds the FCC's change of heart as this proceeding progressed. With the implementation of a few additional rules that allow and encourage voluntary negotiations on a level playing field, this proceeding could very likely have a win-win conclusion. We are not opposed to personal communications systems, such as pocket-sized telephones. Many people would undoubtedly find these very small phones convenient and would appreciate the fact that these phones would permit them to send and receive calls even when they are away from their offices or homes. Additionally, it has been suggested that the manufacture and sale of these pocket-sized phones offers the potential of developing into a major industry in the United States.

NRECA favors the development of new industries in the United States. We also favor the development of additional amenities and conveniences for the American people. Although pocket-sized phones and other emerging technologies could play a useful role in our society and are desirable, they are not essential to our economy or to the well-being of the American people, in the same way that electricity is. We still strongly believe that it would be unwise to require electric utilities to relocate from the highly reliable 2 GHz band in order to provide this spectrum to the emerging technology industry. A society that compromises a basic service, like reliable electricity, is making a fundamental mistake. We are now convinced that the FCC agrees with this and it will endeavor to assure that this mistake is not made.

Respectfully submitted,

NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION

By: 

Bob Bergland
Executive Vice President

National Rural Electric
Cooperative Association
1800 Massachusetts Avenue, NW
Washington, D.C. 20036-1883

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